

1  
2  
3  
4  
5  
6  
7  
8  
9  
0  
1  
2  
3  
4  
5  
6  
7  
8  
9  
0  
1  
2  
3  
4  
5  
6  
7  
8  
9  
0  
1  
2

## 45

6  
7  
8  
9  
0  
1

### 3

4

5

1.6  
1.7  
1.8  
1.9  
2.0  
2.1

## 2

## 23

4

## 25

26  
27

28

## 29

0

## 1

2

|    |   |                       |
|----|---|-----------------------|
| 1  | Total private revenues.....                         | 0                     |
| 2  | Total other state restricted revenues.....          | 0                     |
| 3  | State general fund/general purpose.....             | \$ 960,268,300        |
| 4  | <b>Sec. 102. MICHIGAN STATE UNIVERSITY</b>          |                       |
| 5  | Operations.....                                     | \$ 299,490,100        |
| 6  | Agricultural experiment station.....                | 33,827,100            |
| 7  | Cooperative extension service.....                  | <u>26,520,700</u>     |
| 8  | GROSS APPROPRIATION.....                            | \$ 359,837,900        |
| 9  | Appropriated from:                                  |                       |
| 10 | State general fund/general purpose.....             | \$ 359,837,700        |
| 11 | <b>Sec. 103. UNIVERSITY OF MICHIGAN - ANN ARBOR</b> |                       |
| 12 | Operations.....                                     | <u>\$ 333,941,200</u> |
| 13 | GROSS APPROPRIATION.....                            | \$ 333,941,200        |
| 14 | Appropriated from:                                  |                       |
| 15 | State general fund/general purpose.....             | \$ 333,941,200        |
| 16 | <b>Sec. 104. WAYNE STATE UNIVERSITY</b>             |                       |
| 17 | Operations.....                                     | <u>\$ 225,533,800</u> |
| 18 | GROSS APPROPRIATION.....                            | \$ 225,533,800        |
| 19 | Appropriated from:                                  |                       |
| 20 | State general fund/general purpose.....             | \$ 225,533,800        |
| 21 | <b>Sec. 105. SUPPLEMENTAL PAYMENT</b>               |                       |
| 22 | One-time supplemental payment.....                  | <u>\$ 40,955,400</u>  |
| 23 | GROSS APPROPRIATION.....                            | \$ 40,955,400         |
| 24 | Appropriated from:                                  |                       |
| 25 | State general fund/general purpose.....             | \$ 40,955,400         |

26

27 PART 2

28 PROVISIONS CONCERNING APPROPRIATIONS

29 GENERAL SECTIONS

1       Sec. 201. Pursuant to section 30 of article IX of the state  
2 constitution of 1963, total state spending from state resources  
3 under part 1 for fiscal year 2007-2008 is \$960,268,300.00 and state  
4 spending from state resources to be paid to local units of  
5 government for fiscal year 2007-2008 is \$0.00.

6       Sec. 202. The appropriations authorized under this bill are  
7 subject to the management and budget act, 1984 PA 431, MCL 18.1101  
8 to 18.1594.

9       Sec. 203. Unless otherwise specified, the institutions of  
10 higher education receiving appropriations in part 1 shall use the  
11 Internet to fulfill the reporting requirements of this bill. This  
12 requirement may include transmission of reports via electronic mail  
13 to the recipients identified for each reporting requirement, or it  
14 may include placement of reports on an Internet or Intranet site.

15       Sec. 204. Funds appropriated in part 1 shall not be used for  
16 the purchase of foreign goods or services, or both, if  
17 competitively priced and of comparable quality American goods and  
18 services, or both, are available. Preference should be given to  
19 goods or services, or both, manufactured or provided by Michigan  
20 businesses if they are competitively priced and of comparable  
21 value.

22       Sec. 205. (1) The funds appropriated in part 1 to state  
23 institutions of higher education, except for the one-time  
24 supplemental payment, shall be paid out of the state treasury and  
25 distributed by the state treasurer to the respective institutions  
26 in 11 monthly installments on the sixteenth of each month, or the  
27 next succeeding business day, beginning with October 16, 2007.  
28 Except for Wayne State University, each institution shall accrue

1 its July and August 2008 payments to its institutional fiscal year  
2 ending June 30, 2008.

3 (2) The funds appropriated in part 1 to state institutions of  
4 higher education for the one-time supplemental payment shall be  
5 paid out of the state treasury and distributed by the state  
6 treasurer to the respective institutions on October 16, 2007.

7 Except for Wayne State University, each state institution of higher  
8 education shall accrue this payment to its institutional fiscal  
9 year ending June 30, 2007. Wayne State University shall accrue  
10 this payment to its institutional fiscal year ending September 30,  
11 2007.

12 (3) All universities receiving appropriations in part 1 shall  
13 submit higher education institutional data inventory (HEIDI) data  
14 and associated financial and program information requested by and  
15 in a manner prescribed by the state budget director. For  
16 universities with fiscal years ending June 30, 2007, these data  
17 shall be submitted to the state budget director by October 15,  
18 2007. Universities with a fiscal year ending September 30, 2007  
19 shall submit preliminary HEIDI data by November 15, 2007 and final  
20 data by December 15, 2007. If a university fails to submit HEIDI  
21 data and associated financial aid program information in accordance  
22 with this reporting schedule, the state treasurer shall withhold  
23 the monthly installments under subsection (1) to the university  
24 until those data are submitted.

25 Sec. 206. Funds received by the state from the federal  
26 government or private sources for the use of a university receiving  
27 appropriations in part 1 are appropriated for the purposes for  
28 which they are provided. The acceptance and use of federal or

1 private funds do not place an obligation upon the legislature to  
2 continue the purposes for which the funds are made available.

3 Sec. 207. If section 274 of the income tax act of 1967, 1967  
4 PA 281, MCL 206.274, is not repealed and if a state institution of  
5 higher education that receives appropriations under part 1 notifies  
6 the department of treasury regarding its tuition and fee rates in  
7 order to qualify as an eligible institution for the Michigan  
8 tuition tax credit under section 274 of the income tax act of 1967,  
9 1967 PA 281, MCL 206.274, the institution shall also submit the  
10 notification and applicable documentation of tuition and fee  
11 changes to the house and senate fiscal agencies.

12 Sec. 208. A state institution of higher education that  
13 receives appropriations under part 1 shall furnish all program and  
14 financial information that is required by and in a manner  
15 prescribed by the state budget director or the house or senate  
16 appropriations committee.

#### 17 18 **STATE UNIVERSITIES**

19 Sec. 301. (1) Included in part 1 is \$2,953,400.00 for the  
20 agricultural experiment station and \$2,619,000.00 for the  
21 cooperative extension service for project GREEN. Project GREEN is  
22 intended to address critical regulatory, food safety, economic, and  
23 environmental problems faced by this state's plant-based  
24 agriculture, forestry, and processing industries. "GREEN" is an  
25 acronym for generating research and extension to meet environmental  
26 and economic needs.

27 (2) The department of agriculture and Michigan State  
28 University, in consultation with agricultural commodity groups and

1 other interested parties, shall develop project GREEN and its  
2 program priorities.

3 (3) Not later than September 30, 2008, a report shall be  
4 submitted by Michigan State University to the state budget  
5 director, the house and senate appropriations subcommittees on  
6 agriculture and on higher education, and the house and senate  
7 fiscal agencies for the preceding fiscal year regarding project  
8 GREEN projects. The report shall include, but is not limited to,  
9 the dollar amount of each project and a review of each project's  
10 performance and accomplishments.

11 Sec. 302. If any Michigan public university receiving  
12 appropriations under part 1 increases its resident undergraduate  
13 tuition and required fees from academic year 2006-2007 to academic  
14 year 2007-2008, that university shall increase its fiscal year  
15 2007-2008 general fund expenditures for student financial aid by at  
16 least the same percentage as the percentage change in resident  
17 undergraduate tuition and required fees. Each public university  
18 shall report its proposed fiscal year 2007-2008 general fund  
19 expenditures for student financial aid compared to its projected  
20 fiscal year 2006-2007 general fund expenditures for student  
21 financial aid, and its projected academic year 2007-2008 resident  
22 undergraduate tuition and required fee changes from academic year  
23 2006-2007, to the state budget director and the house and senate  
24 appropriations subcommittees on higher education by November 15,  
25 2007.

26 Sec. 303. All universities receiving appropriations under part  
27 1 shall submit the amount of tuition and fees actually charged to a  
28 full-time resident undergraduate student for academic year 2007-  
29 2008 as part of their higher education institutional data inventory

1 (HEIDI) data by August 31, 2007. A university shall report any  
2 revisions for any semester of the reported academic year 2007-2008  
3 tuition and fee charges to HEIDI within 15 days of being adopted.

4 Sec. 304. (1) Included in the appropriation for each public  
5 university in part 1 is funding for the Martin Luther King, Jr. -  
6 Cesar Chavez - Rosa Parks future faculty program, that is intended  
7 to increase the pool of minority candidates pursuing faculty  
8 teaching careers in postsecondary education. Each university shall  
9 apply the percentage change applicable to every university in the  
10 calculation of appropriations in part 1 to the amount of funds  
11 allocated to the future faculty program.

12 (2) The program shall be administered by each university in a  
13 manner prescribed by the Michigan department of labor and economic  
14 growth. The Michigan department of labor and economic growth shall  
15 use a good faith effort standard to evaluate whether a fellowship  
16 is in default.

17 Sec. 305. (1) Included in the appropriation for each public  
18 university in part 1 is funding for the Martin Luther King, Jr. -  
19 Cesar Chavez - Rosa Parks college day program that is intended to  
20 introduce schoolchildren underrepresented in postsecondary  
21 education to the potential of a college education.

22 (2) Individual program plans of each university shall include  
23 a budget of equal contributions from this program, the  
24 participating public university, the participating school district,  
25 and the participating independent degree-granting college. College  
26 day funds shall not be expended to cover indirect costs. Not more  
27 than 20% of the university match shall be attributable to indirect  
28 costs. Each university shall apply the percentage change  
29 applicable to every university in the calculation of appropriations

1 in part 1 to the amount of funds allocated to the college day  
2 program.

3 (3) The program shall be administered by each university in a  
4 manner prescribed by the Michigan department of labor and economic  
5 growth.

6 Sec. 306. (1) Included in the appropriation for each public  
7 university in part 1 is funding for the Martin Luther King, Jr. -  
8 Cesar Chavez - Rosa Parks visiting professors program which is  
9 intended to increase the number of underrepresented minority  
10 instructors in the classroom and provide role models for  
11 underrepresented minority students.

12 (2) The program shall be administered by the Michigan  
13 department of labor and economic growth.

#### 14 15 **STUDENT PERFORMANCE REPORTING**

16 Sec. 401. (1) From the amount appropriated in part 1 for state  
17 universities, the state universities shall systematically inform  
18 Michigan high schools regarding the academic status of students  
19 from each high school in a manner prescribed by the presidents  
20 council, state universities of Michigan in cooperation with the  
21 Michigan association of secondary school principals.

22 (2) The Michigan high schools shall systematically inform the  
23 state universities about the use of information received under this  
24 section in a manner prescribed by the Michigan association of  
25 secondary school principals in cooperation with the presidents  
26 council, state universities of Michigan.

27 Sec. 402. From the amount appropriated in part 1 for state  
28 universities, the state universities shall inform Michigan  
29 community colleges regarding the academic status of community



1 college transfer students in a manner prescribed by the presidents  
2 council, state universities of Michigan in cooperation with the  
3 Michigan community college association.

#### 4 5 **GENERAL REPORTS AND AUDITS**

6       Sec. 501. (1) The auditor general shall review higher  
7 education institutional data inventory (HEIDI) enrollment data  
8 submitted by all public universities and may perform audits of  
9 selected public universities if determined necessary. The review  
10 and audits shall be based upon the definitions, requirements, and  
11 uniform reporting categories established by the state budget  
12 director and the senate and house fiscal agencies. The auditor  
13 general shall submit a report of findings to the house and senate  
14 appropriations committees and the state budget director no later  
15 than July 1, 2008.

16       (2) Student credit hours reports shall not include the  
17 following:

18       (a) Student credit hours generated through instructional  
19 activity by faculty or staff in classrooms located outside  
20 Michigan, with the exception of instructional activity related to  
21 study-abroad programs or field programs.

22       (b) Student credit hours generated through distance learning  
23 instruction for students not eligible for the institution's in-  
24 state main campus resident tuition rate.

25       (c) Student credit hours generated through credit by  
26 examination.

27       (d) Student credit hours generated through inmate prison  
28 programs regardless of teaching location.

1 (e) Student credit hours generated in new degree programs  
2 after January 1, 1975, that have not been specifically authorized  
3 for funding by the legislature, except spin-off programs converted  
4 from existing core programs that do all of the following:

5 (i) Represent new options, fields, or concentrations within  
6 existing programs.

7 (ii) Are consistent with the current institutional role and  
8 mission.

9 (iii) Are accommodated within the continuing funding base of  
10 the institution.

11 (iv) Do not require a new degree level beyond that which the  
12 institution is currently authorized to grant within that discipline  
13 or field.

14 (v) Do not require funding from the state other than that  
15 provided by the student credit hours generated within the program,  
16 either before program initiation or within the first 3 years of  
17 program operation.

18 (3) The auditor general shall periodically audit higher  
19 education institutional data inventory (HEIDI) data as submitted by  
20 the state universities for compliance with the definitions approved  
21 by the HEIDI advisory committee for the HEIDI database.

22 (4) "Distance learning instruction" as used in subsection (2)  
23 means instruction that occurs solely in other than a traditional  
24 classroom setting where the student and instructor are in the same  
25 physical location and for which a student receives course credits  
26 and is charged tuition and fees. Examples of distance learning  
27 instruction are instruction delivered solely through the Internet,  
28 cable television, teleconference, or mail.

1       Sec. 502. The principal executive officer of each institution  
2 of higher education receiving an appropriation under part 1 shall  
3 expend a portion of the funds appropriated to that institution to  
4 make a report to the auditor general, the house and senate fiscal  
5 agencies, and the state budget director within 60 days after the  
6 auditor general issues his or her report on the operation of the  
7 institution. The institution's report shall specify all of the  
8 following:

9       (a) The recommendations of the auditor general implemented by  
10 the institution, including projected dates and resources required,  
11 if any, to achieve compliance.

12       (b) The recommendations of the auditor general not implemented  
13 by the institution or implemented by the institution as modified.

14       (c) The rationale for not implementing a recommendation of the  
15 auditor general or of implementing a recommendation as modified.

16       Sec. 503. The auditor general may conduct performance audits  
17 of state universities during the fiscal year ending September 30,  
18 2008 as the auditor general considers necessary.

19       Sec. 504. An institution receiving an appropriation under part  
20 1 and also subject to the student right-to-know and campus security  
21 act, Public Law 101-522, 104 Stat. 2381, shall make a copy of all  
22 material prepared pursuant to the public information reporting  
23 requirements under the crime awareness and campus security act of  
24 1990, title II of the student right-to-know and campus security  
25 act, Public Law 101-542, 104 Stat. 2381, available in electronic  
26 Internet format on their websites.

27       Sec. 505. Not later than February 1, 2008, each of Michigan's  
28 public universities receiving appropriations in part 1 shall submit

1 to the state budget director and the house and senate fiscal  
2 agencies a report on the following:

3 (a) The number of students who graduated from the university  
4 in academic year 2005-2006 and academic year 2006-2007 with an  
5 advanced degree in mathematics, science, healthcare, or  
6 engineering, and the number of those graduates that remained in  
7 Michigan to work.

8 (b) The projected numbers of graduates in each of the above-  
9 listed categories for the next five calendar years and plans or  
10 programs, if any, to increase the numbers of graduates in these  
11 categories.

12 (c) The status of the university's state and regional economic  
13 development activities and the monetary value of these activities  
14 on the economy of Michigan. The report shall include efforts  
15 undertaken to assist the state and its communities with the  
16 development of programs and infrastructure necessary to expand  
17 businesses and jobs, including those in manufacturing, tourism,  
18 agriculture and health care.

19 (d) Partnerships with other Michigan universities, community  
20 colleges, or other entities regarding new technology development  
21 including but not limited to life sciences, alternative energy and  
22 advanced manufacturing and increasing college graduates in science,  
23 technology, engineering and math disciplines.

24 (e) Efforts to increase foreign investment and international  
25 trade; efforts to encourage international students to develop,  
26 locate or partner with Michigan-based businesses upon graduation;  
27 and, efforts to identify economic development leads or prospects in  
28 national or international markets for Michigan business for

1 referral to state, regional or local economic development  
2 officials.

3 (f) The impact of research and technology development  
4 undertaken by the university including:

5 (i) The amount of private, state, and federal research funding  
6 received by the university.

7 (ii) The total amount of research spending by the university.

8 (iii) The number of new invention disclosures filed by  
9 university faculty, researchers, and graduate students.

10 (iv) The number of start-up companies formed based on  
11 university generated inventions and the number of those companies  
12 headquartered in Michigan.

13 (v) The number of new licensing agreements with corporate  
14 partners and the amount of university revenue generated from  
15 licensing new technologies.

16 (vi) The number of patent applications filed by the university  
17 and the number of patents granted to the university.

18 (vii) The number of jobs created or retained in Michigan  
19 attributed to university generated research and technology  
20 transfer.

21